



Hilton Hotels Corporation **Our Commitment to the Environment**

At Hilton Hotels Corporation, protecting the environment is a top priority. Responsible environmental activity is good for both our business and the community. Hilton has developed a comprehensive company-wide policy to promote business practices that help preserve the environment. We provide guidelines for all of our facilities, and our goals are to “Reduce – Reuse – Recycle” as much as we can.

Water Conservation

Nearly every hotel within our Family of Hotels takes part in our “Green Program -- Conserve to Preserve.” By asking our guests when they would like their sheets and towels changed, we save over 12 million gallons of fresh water a month while also reducing waste water and the use of chemicals and energy resources. Hilton®, Doubletree®, Embassy Suites Hotels®, Hilton Garden Inn®, Hampton Inn®, Hampton Inn & Suites®, Hilton Grand Vacations Club and Homewood Suites® by Hilton hotels participate in this program. The Green Program enables our guests to decide when the room attendant will change the bed linens. Upon check-in to the hotel guests are informed (usually by a card placed on the side of the bed) that the bed linens are fresh and clean and that the sheets will typically be changed on each third night of their stay. If a guest elects, they can request to have their sheets changed daily by simply placing the card on the bed or calling housekeeping or the guest service hotline. Thereafter, the room attendant will provide a change of sheets daily.

As part of the Green Program, another information card is placed on the towel rack along side clean towels. If a guest elects, they can re-hang the used towels on the rack and they will not be laundered daily. If the guest would like the towels changed, they simply place the towels on the floor or in the bathtub. The room attendant will then replace the used towels with clean fresh ones daily.

Laundering linens for our hotels uses an enormous amount of water. Hilton continues to implement programs to provide the latest in laundering equipment that utilize the greatest water reduction technologies. By investing in state-of-the-art equipment we have reduced the amount of water used to clean every pound of linens from approximately two (2) gallons of water downward to one (1) gallon. For example, full service occupied rooms on average use 11.5 pounds of linens per room, so a single large, fully-occupied hotel (1500 rooms) with a

typical stay of two nights can reduce water usage, through implementation of these programs, by over 17,000 gallons during the two day period.

HHC also has installed restricted-flow showers in thousands of guest rooms within its hotels, as well as automated faucets and toilets located within restrooms dedicated to public areas of hotels.

Electrical Energy Conservation

Several years ago, Hilton implemented a corporate wide energy efficient lighting retrofit program for our guestrooms. By using state-of-the-art **compact fluorescent** and other lighting technology, we provide an environment that our guests desire while significantly reducing our use of the natural resources that are utilized to power these products. As an example, the average guestroom has 750 watts of lighting using incandescent bulbs. After our retrofit the room has approximately 220 watts for a reduction of 70%, while actually increasing the level of light, making the room brighter for our guests. These company-wide efforts over the past decade have allowed us to conserve millions of watts of electricity, on an annualized basis, without impacting the comfort of our guests.

Hilton is also actively evaluating and implementing additional “green” technologies in our facilities including **solar technology, co-generation, and fuel cells** use as they become increasingly more affordable and reliable. These technologies will allow us to further decrease our dependence on current energy providers and resources.

The Family of Brands **Exterior Identity Program** has moved completely away from completely away from neon tubing which can contain Mercury. Building signs are now virtually **100% LED** which is environmentally friendly. Further, we are moving toward **electronic ballasts** to power fluorescent sign lighting which reduces energy consumption and in some instances, circuitry.

We are moving toward **R-134A refrigerant** in large chillers which is an HFC refrigerant rather than a CFC which contains chlorine and will be phased out over time. We are evaluating R-410A which is a refrigerant for the future.

Central Plants for new large hotels use Variable Frequency Drives to reduce power consumption in off peak hours;

HGVC hotels use **water source heats pumps** on specific projects which inherently have **heat recovery capabilities**.

Recycling

Hilton is committed to preserving our environment and in the early 1990's, instituted the initial company **recycling program guidelines**, which provided

training and specific instructions on how to start and manage a successful recycling program. This program has recently been incorporated into our Engineering manual, and remains in the Housekeeping manual. Both are available to all our Family of Hotels through our internal Intranet site.

One area that is getting increased attention is **in-room recycling**. Most of the materials collected in guest rooms are recyclable items such as **cans, bottles, newspapers, magazines, and office paper**. We recently formed a team to re-examine our current efforts to see how we can improve these in-room programs, and give our guests the opportunity to participate.

The hospitality industry has the potential to dramatically reduce the amount it contributes to our landfills. Hotels generate large quantities of recyclable **plastics, cardboard, aluminum and steel cans, glass and cooking oil** as well as **foodstuffs** that can be recycled. Through our combined efforts we can all make a substantial and favorable impact on our environment, reducing the waste stream to landfills and related energy usage transporting and processing these products.

Preserving the Environment

Our team members also play a role by participating in various communities outreach projects, such as **planting trees, cleaning beaches** and undertaking other activities that help restore our natural resources. We believe that all Americans should take action to protect our environment for today and for the future.

We Care

Hilton's Environmental Program in the U.K., Europe, Asia Pacific & Africa

The idea developed within the Europe & Africa executive team towards the end of 2005. A need was felt to focus more on containing escalating energy bills. At the same time, an environmental cultural initiative needed to be developed. It was decided to develop a program that would involve all Team Members at all levels.

The program:

Educates Team Members and makes them more aware of environmental issues and how to relate to them personally.

Inspires them enough to take concrete action around the hotel, helping to reduce energy waste, identifying areas of improvement, focusing more on environmental related issues - becoming more proactive instead of relying solely on the hotel engineer for such initiatives.

The program has four focus areas:

1. Energy efficiency
reduction



3. Waste



2. Water efficiency



4. Chemicals



The five pillars of the *we care!* program are:

1. Environmental Policy
2. ITP Guidelines for Sustainable Siting, Design & Construction
3. Eco-learning
4. HER (Hilton Environmental Reporting)
5. HiWay (intranet) as a communication tool

An overall target was set:

2006: reduce energy consumption by 5% compared to 2005

2007: reduce energy and water consumption by 10% compared to 2005

2008: target chemicals, energy & water

2009: target waste, chemicals, energy & water

Individual Hotel/Regional Efforts - International

With 6,500 guest rooms, properties including the Waldorf Hilton, the Trafalgar Hilton and Hilton London Tower Bridge have committed to change to carbon free electricity following an investment of £4 million in 2006. The 2006 activation led to a reduction of energy consumption of more than 25% in certain hotels across the UK and Ireland. Specifically, the London Hilton has started work on a £1.25m project that will lead to an estimated £314k savings.

Hiltons in the U.K. and Ireland plan to reduce their carbon footprint by more than 50% in 2007.

Individual Hotel/Regional Efforts – U.S.

Hilton Hotels Corporation has partnered with the California Green Lodging Program, sponsored by the California Integrated Waste Management Board and the California Environmental Protection Agency. More than 50 hotels in the state have achieved the Leadership or Participation level.

First LEED-Certified Hotel in the Industry

The Hilton Vancouver, Wash. is registered with the U.S. Green Building Council and has received a Leadership in Energy and Environmental Design (LEED) rating, becoming the first LEED-certified major hotel in the country.

Energy Star Certification

Doubletree Club Hotel Las Vegas and Doubletree Guest Suites Boston both have Energy Star certification.

First Fuel Cell Installed Atop a Hotel

Hilton New York, a prime 1,980-room property of Hilton Hotels Corporation (HHC) in New York City, completed the rigging of a PureCell™ Model 200 Commercial fuel cell power system, one of the cleanest power generating technologies available today. Nearly three times more energy efficient than the electric grid when used in combined heat and power applications, the fuel cell will operate without combustion to continuously provide power and domestic hot water for hotel operations. Hilton New York installed the PureCell system on May 20, 2007, as part of Hilton Hotels Corporation global green programs.

Doubletree Portland Lloyd Center/1st in Oregon with Green Seal Designation

The Doubletree® Hotel & Executive Meeting Center Portland-Lloyd Center created an innovative carbon offset program with The Climate Trust. This carbon offset program is the latest accomplishment in the Doubletree's systematic efforts to build sustainable practices into its entire operations. The 476-room Doubletree is the first lodging property in Oregon and one of the largest hotels west of the Mississippi to be certified with a Green Seal "green hotel" designation.

To further reduce their environmental impact and overall energy consumption, the Doubletree Portland-Lloyd Center is beginning to take the following steps:

- Retrofit property with high-efficiency condensing boilers, high-efficiency centrifugal chillers, and low-flow showerheads.
- Install demand-based ventilation systems controls, DDC controls and dry-bulb economizers on air handling units, and VSD's on room fan coil unit supply fans.
- Install hydronic economizer for off-season cooling and de-coupled chilled water pumping system.

Allergy-Resistant Rooms/Indoor Air Quality

The Hilton Chicago O'Hare Airport, Conrad Miami and Doubletree Hotel Tucson at Reid Park, Ariz., are focusing efforts on combating air pollutants. All three hotels have created allergy resistant rooms—the Conrad and Doubletree use

PURE air purification systems, mattresses and pillow covers that protect from dust and bacteria, specially treated carpet and upholstery and a filtered shower system in several rooms, while the Hilton has 11 rooms it deems “99 percent free of particles and gases”. The hotel uses a cork-underlaid hardwood floor, breathable wallpaper, VOC-free paint (volatile organic compounds), particle-board free furniture, chemical-free showerheads, etc., and a 24-hour, real time monitoring system that lets hotel engineers know if air quality changes.

Solar water heating is done at Pointe Hilton Resort Tapatio Cliffs.

Doubletree Hotels Reaches 200,000 Tree Planting Milestone With National Arbor Day Foundation

Doubletree Hotels has worked with the National Arbor Day Foundation since 2002 to engage nearly 100,000 team members and grade school students from more than 150 U.S. and Canadian cities in environmental education and awareness. Through a comprehensive series of educator-approved lesson plans, Doubletree team members continue to encourage a new generation of kids to “think trees” in an active effort to re-green America and reinforce the importance of trees in our everyday lives. Because of these efforts, students have learned the importance of the environmental 3 R’s – Reduce, Reuse, Recycle and have planted thousands of seedling trees to re-green their schools and neighborhoods. Along with reinforcing promotions with the general public, Doubletree proudly has reached a milestone of planting and donating 200,000 trees through environmental projects that continue to grow with The National Arbor Day Foundation.

Energy Star

In the U.S., HHC continues to work with manufacturers and the Environmental Protection Agency, through its **EnergyStar® program**, to identify further opportunities and then develop and test new lighting technologies to continue to reduce energy/natural resource usage.

HHC was the first company in the travel industry to receive the **EnergyStar® award** from the Environmental Protection Agency and the Department of Energy. We continue to look for new ways to reduce energy and improve the environment in which we live.

Hilton Hotels Corporation Headquarters

All glass, plastic, paper and aluminum are recycled in Beverly Hills. Team members can use recyclable cups in the common coffee areas.

Sponsored by Hilton Garden Inn, team members in Beverly Hills now can deposit used items into special boxes around the office, including batteries, cell phones, calculators, cameras, PDAs and cordless tools.

HHC makes sure the items are recycled to help protect the environment and the safety of the community.